

4-17-02 assessment db updated cm

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ARIZONA CORPORATION  
COMMISSION

APR 1 1 2002

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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W-01045A  
COTTONWOOD WATER WORKS, INC.  
1042 N. MAIN STREET  
COTTONWOOD AZ 86326-

**ANNUAL REPORT**

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

4-17-02 cm

SCANNED

See accountant's compilation report.

COTTONWOOD WATER WORKS, INC.

UTILITIES DIVISION  
ANNUAL REPORT

YEAR ENDED DECEMBER 31, 2001

**Dennis, Schmich & Co., Ltd.**

Certified Public Accountants

Member of the AICPA Private Companies Practice Section

**Telephone (602) 265-5900**

3839 North Third Street Suite 305

Phoenix, Arizona 85012

The Board of Directors  
Cottonwood Water Works, Inc.  
Cottonwood, Arizona

We have compiled the balance sheets and statements of income and expense of Cottonwood Waterworks, Inc. as of December 31, 2001 and 2000, and for the years then ended included in the accompanying prescribed form of Utilities Division Annual Report of Cottonwood Water Works, Inc. in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information on pages 3 through 6 and pages 14 through 17.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplemental information are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

The supplementary information on pages 10 through 13 contained in the accompanying prescribed form has not been audited, reviewed or compiled by us and, accordingly, we assume no responsibility for that information.

March 2, 2002

*Dennis, Schmich & Co., Ltd.*

## COMPANY INFORMATION

**Company Name (Business Name)** Cottonwood Waterworks, Inc.

**Mailing Address** 1042 N. Main Street  
(Street)

Cottonwood  
(City)

Arizona  
(State)

86326  
(Zip)

(928) 634-5559

Telephone No. (Include Area Code)

(928) 634-5962

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** cww@sedona.net

**Local Office Mailing Address** same as above  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Charles D. Garrison  
(Name)

President  
(Title)

1042 N. Main Street  
(Street)

Phoenix  
(City)

Arizona  
(State)

86326  
(Zip)

(928) 634-5559

Telephone No. (Include Area Code)

(928) 634-5962

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** cww@sedona.net

**On Site Manager:** Same as above  
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** Charles D. Garrison

(Name)

1042 N. Main Street

Scottsdale

Arizona

86326

(Street)

(City)

(State)

(Zip)

(928) 634-5559

(928) 634-5962

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**Attorney:** Richard L. Sallquist

(Name)

2525 E. Arizona Biltmore Circle, Ste. 117 Phoenix, AZ 85016

(Street)

(City)

(State)

(Zip)

(602) 224-9222

(602) 224-9366

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE            | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**UTILITY PLANT IN SERVICE**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (OC)</b>	<b>Accumulated Depreciation (AD)</b>	<b>O.C.L.D. (OC less AD)</b>
301	Organization	\$ 3,343	\$ 805	\$ 2,538
302	Franchises	5,077		5,077
303	Land and Land Rights	48,467		48,467
304	Structures and Improvements	134,127	96,451	37,676
307	Wells and Springs	311,086	58,907	252,179
311	Pumping Equipment	368,147	105,928	262,219
320	Water Treatment Equipment	15,717	7,675	8,042
330	Distribution Reservoirs and Standpipes			-
331	Transmission and Distribution Mains	5,572,737	1,408,371	4,164,366
333	Services	398,675	126,254	272,421
334	Meters and Meter Installations	712,500	329,678	382,822
335	Hydrants	419,059	73,405	345,654
336	Backflow Prevention Devices			-
339	Other Plant and Misc. Equipment			-
340	Office Furniture and Equipment	66,963	55,946	11,017
341	Transportation Equipment	106,151	93,692	12,459
343	Tools, Shop and Garage Equipment	44,969	40,579	4,390
344	Laboratory Equipment			-
345	Power Operated Equipment			-
346	Communication Equipment	10,935	9,302	1,633
347	Miscellaneous Equipment			-
348	Other Tangible Plant			-
	<b>TOTALS</b>	<b>\$ 8,217,953</b>	<b>\$ 2,406,993</b>	<b>\$ 5,810,960</b>

This amount goes on the Balance Sheet Acct. No. 108

See accountants compilation report.

<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

<b>Acct. No.</b>	<b>DESCRIPTION</b>	<b>Original Cost (1)</b>		<b>Depreciation Expense (1x2)</b>
301	Organization	\$ 3,343	20.0%	\$ -
302	Franchises	5,077	0.0%	
303	Land and Land Rights	48,467	0.0%	
304	Structures and Improvements	134,127	4.0%	5,098
307	Wells and Springs	311,086	3.1%	8,142
311	Pumping Equipment	368,147	2.4%	11,236
320	Water Treatment Equipment	15,717	5.0%	557
330	Distribution Reservoirs and Standpipes		4.0%	
331	Transmission and Distribution Mains	5,572,737	2.8%	135,923
333	Services	398,675	3.3%	11,824
334	Meters and Meter Installations	712,500	3.4%	24,219
335	Hydrants	419,059	4.0%	7,681
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	66,963	14.0%	8,271
341	Transportation Equipment	106,151	20.0%	7,144
343	Tools, Shop and Garage Equipment	44,969	7.7%	1,447
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	10,935	7.7%	553
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>\$ 8,217,953</b>		<b>\$ 222,095</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403—

\*Depreciation expense % calculated on an average of allowable rates for asset category

<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**BALANCE SHEET**

<b>ACCT. NO.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 952	\$ 3,933
134	Working Funds		
135	Temporary Cash Investments	460,301	485,513
141	Customer Accounts Receivable	102,531	105,386
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	31,430	14,526
174	Miscellaneous Current and Accrued Assets	21,465	21,495
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 616,679</b>	<b>\$ 630,853</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 7,526,262	\$ 8,217,953
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(2,187,809)	(2,406,993)
121	Non-Utility Property	23,334	23,334
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 5,361,787</b>	<b>\$ 5,834,294</b>
	<b>TOTAL ASSETS</b>	<b>\$ 5,978,466</b>	<b>\$ 6,465,147</b>

Note: The Assets on this page should be equal to **total Liabilities and Capital** on the following page.



<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**BALANCE SHEET (CONTINUED)**

<b>ACCT. NO.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 3,506	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	61,630	66,417
236	Accrued Taxes	35,801	40,835
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	54,059	44,293
	<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 154,996</b>	<b>\$ 151,545</b>
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ -	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -	\$
252	Advances in Aid of Construction	2,700,060	3,095,152
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	652,028	722,815
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax	329,600	271,000
	<b>TOTAL DEFERRED CREDITS</b>	<b>\$ 3,681,688</b>	<b>\$ 4,088,967</b>
	<b>TOTAL LIABILITIES</b>	<b>\$ 3,836,684</b>	<b>\$ 4,240,512</b>
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 269,100	\$ 269,100
211	Paid in Capital in Excess of Par Value	77,000	77,000
215	Retained Earnings	1,795,682	1,878,535
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	<b>\$ 2,141,782</b>	<b>\$ 2,224,635</b>
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 5,978,466</b>	<b>\$ 6,465,147</b>

See accountant's compilation report.

<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 1,117,338	\$ 1,143,521
460	Unmetered Water Revenue		
474	Other Water Revenues	41,924	48,252
	<b>TOTAL REVENUES</b>	\$ 1,159,262	\$ 1,191,773
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 365,896	\$ 373,336
610	Purchased Water		
615	Purchased Power	133,005	148,149
618	Chemicals	10,584	8,179
620	Repairs and Maintenance	67,939	48,221
621	Office Supplies and Expense	48,562	50,778
630	Outside Services	26,461	35,352
635	Water Testing	7,437	29,723
641	Rents		
650	Transportation Expenses	15,903	16,505
657	Insurance – General Liability	10,595	12,042
659	Insurance - Health and Life	57,158	66,598
666	Regulatory Commission Expense – Rate Case	-	
675	Miscellaneous Expense	4,822	4,952
403	Depreciation Expense	208,971	222,095
408	Taxes Other Than Income	3,054	2,610
408.11	Property Taxes	66,000	75,962
409	Income Tax	14,454	(14,390)
	<b>TOTAL OPERATING EXPENSES</b>	\$ 1,040,841	\$ 1,080,112
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 31,054	\$ 15,273
421	Non-Utility Income	(19,247)	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(4,170)	(3,718)
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 7,637	\$ 11,555
	<b>NET INCOME/(LOSS)</b>	\$ 126,058	\$ 123,216

See accountant's compilation report.

<b>COMPANY NAME</b>	<b>COTTONWOOD WATERWORKS, INC.</b>
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**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	<u>\$ 3,941</u>
Meter Deposits Refunded During the Test Year	<u>\$ 914</u>

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-609080	15	150	7	3
55-609079	20	180	7	3
55-609078	75	280	12-18	4
55-609076	5	56	5	2
55-609075	60	240	10	3
55-609074	30	180	10	3

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Haskell Spring (Intermittent)	Various	None

**TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR** (thous.) = 653,377,000

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	5	400 est.	70 est.
25	2		
60	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	5,000	2
12,500	1	8,000	2
32,000	1	10,000	1
100,000	1		

**COMPANY NAME**                      **COTTONWOOD WATERWORKS, INC.**

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number</b>	<b>Pump Horsepower</b>	<b>Pump Yield (Gpm)</b>	<b>Casing Size (inches)</b>	<b>Meter Size (inches)</b>
55-530748	60	320	10 & 12	6
55-609073	30	100	10	6
55-609072	40	130	8	4
55-503444	75	620	14	6
55-550414	150	680	12 & 16	6
55-580166	20	200	12	3

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

**TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) =** \_\_\_\_\_

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
500,000	1		
550,000	1		
750,000	1		
300,000	1		
1,000,000	1		

## STATISTICAL INFORMATION

Total number of customers 4,391

Total number of gallons sold 611,986,000 gallons

COMPANY NAME Cottonwood Waterworks, Inc. YEAR ENDING 12/31/2001

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>112,430</u>
Estimated or Actual Federal Tax Liability	<u>27,063</u>

State Taxable Income Reported	<u>120,754</u>
Estimated or Actual State Tax Liability	<u>8,414</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>587,179</u>
Amount of Gross-Up Tax Collected	<u>                    </u>
Total Grossed-Up Contributions/Advances	<u>587,179</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Charles D. Garrison

SIGNATURE

3/28/02

DATE

CHARLES D. GARRISON

PRINTED NAME

PRESIDENT

TITLE

COMPANY NAME Cottonwood Waterworks, Inc. YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 70,986.59

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

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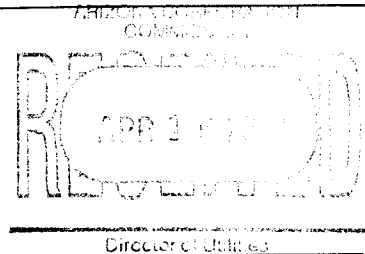
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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**



**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME)	<b>Yavapai</b>
NAME (OWNER OR OFFICIAL) TITLE	<b>Charles D. Garrison, President</b>
COMPANY NAME	<b>Cottonwood Waterworks, Inc.</b>

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 1,300,206

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 93,160  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*Charles D. Garrison, Pres.*  
SIGNATURE OF OWNER OR OFFICIAL  
928-634-5559  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

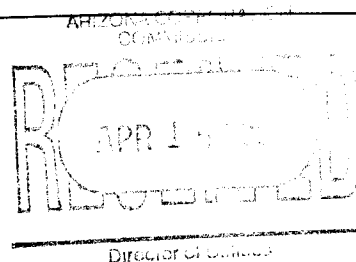
THIS 28<sup>th</sup> DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>March</u> <u>2002</u>

MY COMMISSIONER  
  
Notary Public State of Arizona  
Yavapai County  
Martha A. Grimes  
Expires January 25, 2006

*Martha A. Grimes*  
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**



**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING**

(COUNTY NAME)	Yavapai	
NAME (OWNER OR OFFICIAL)	Charles D. Garrison	TITLE President
COMPANY NAME	COTTONWOOD WATERWORKS, INC.	

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:**

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$1,157,781

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 84,123  
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

X Charles D. Garrison  
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

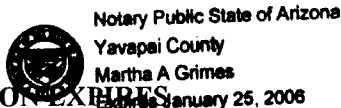
28th

**DAY OF**

NOTARY PUBLIC NAME Martha A. Grimes	
COUNTY NAME Yavapai	
MONTH March	. 20 02

**(SEAL)**

**MY COMMISSION EXPIRES**



X Martha A. Grimes  
SIGNATURE OF NOTARY PUBLIC

ENDORSE HERE  
OFFICE OF DEFENSE ONLY  
DO NOT WRITE IN THIS SPACE OR SIGN BELOW LINE

122100024  
MY 07 07  
NEW YORK OFFICE, N.Y.  
FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE

<122105045>

66-10912

ENDORSE HERE

>122105045<

10800009  
110201

FEDERAL RESERVE BANK OF PHOENIX  
1016 0022  
ENDORSEMENT GUARANTEED  
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